Form 3160-3 (September 2001)

#### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires January 31, 2004

6. If Indian, Allotee or Tribe Name

5.	Lease Serial	No.
	U-61154	

0 0 1	APPLICATION	FOR PERMIT	TO DRILL	OR REENTE
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1			N/A	
la. Type of work: ✓ DRILL REI	7 If Unit or CA Agreeme Drunkards Wash	•		
lb. Type of Well: Oil Well Gas Well Other	Single Zone	Multiple Zone	8. Lease Name and Well USA 14-490	No.
2. Name of Operator  ConocoPhillips Company		· .	9. API Well No. 43-007-3	0858
3a. Address P.O. Box 851 Price, Utah 84501	3b. Phone No. (include area con 435-613-9777	de)	10. Field and Pool, or Explo Drunkards Wash	•
4. Location of Well (Report location clearly and in accordance will At surface NWNB 709' FNL, 1900' FEL 50086  At proposed prod. zone 4384			11. Sec., T. R. M. or Blk. at Sec. 14, T. 14S. R0	•
<ol> <li>Distance in miles and direction from nearest town or post office*</li> <li>9.8 Miles west of Price, Utah</li> </ol>			12. County or Parish  Carbon	13. State
15. Distance from proposed* 708' location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 3863.87 acres	17. Spacii	ng Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  1600'	19. Proposed Depth 3900'		BIA Bond No. on file -16-69	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6970' GR	22. Approximate date work wi 08/01/2005	ll start*	23. Estimated duration	
	24. Attachments			
The following, completed in accordance with the requirements of On	nshore Oil and Gas Order No.1, shall	be attached to th	is form:	

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the

25. Signature	1	1 / /.	Name (Printed/Typed)	Date
	Juan	Sentanh	Jean Semborski	02/11/2005
Title		· C		

Planning and Compliance Supervisor

Name (Printed Typed)

BRADLEY G. HILL **ENVIRONMENTAL SCIENTIST III** 

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to

conduct operations thereon. Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

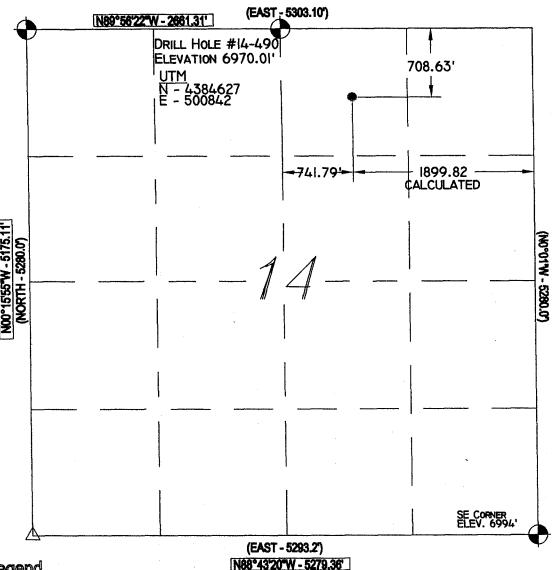
Federal Approval of this Action is Necessary

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DIV. OF OIL, GAS & MINING

## Range 8 East



Legend

South

ownship

Drill Hole Location

Brass Cap (Found)

○ Brass Cap (Searched for, but not found)

△ Rock Pile

() GLO

**GPS Measured** 

NOTES:

I. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG 39°36'48"N 110°59'25"W Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing: The Basis of Bearing is GPS Measured.

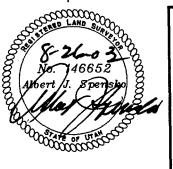
 $GLO\ Bearing:$  The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:
Basis of Elevation of 6994' being at the Southeast Section Corner of Section 14, Township 14 South, Range 8 East, Salt Lake Base and Meridian, as shown on the Pinnacle Peak Quadrangle 7.5 minute series Map.

Description of Location:
PROPOSED DRILL HOLE LOCATED IN THE NWI/4, NEI/4 OF SECTION I4,
TI4S, R8E, S.L.B.&M., BEING 708.63' SOUTH AND 741.79' WEST
FROM THE NORTH QUARTER CORNER OF SECTION I4, TI4S, R8E,
SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



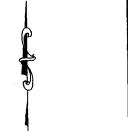


Talon Resources, Inc. 375 South Carbon Avenue, Sulte 101
Price, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

### ConocoPhillips Company

WELL #14-490 Section 14, T14S, R8E, S.L.B.&M. Carbon County, Utah

Drawn By: M. MOON	Checked By: L.W.J./A.J.S.				
Drawing No.	Date: 07/11/01				
A-1	Scale:  " = 1000'				
Sheet 1 of 4	Job No. 1195				



GRAPHIC SCALE

( IN FEET ) 1 inch = 1000 ft.



ConocoPhillips Company 6825 South 5300 West P.O. Box 851 Price, UT 84501

February 11, 2005

Ms Diana Whitney State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 SLC, Utah 84114-5801

RE: Application for Permit to Drill-USA 14-490 NW/4 NE/4 Sec.14 T14S, R08E, SLB & M, Carbon County, Utah

Dear Ms. Diana Whitney::

Enclosed is the original of the *Application for Permit to Drill* (APD). This well was previously approved but expired in May 2003 before the well was drilled. The API number assigned to this well location is 43-007-30805. Included with the APD is the following information:

Exhibit "A"- Survey Plat of the Proposed Well Site;

Exhibit "B" - Proposed Location Map with Pipeline, Power, and Road Access;

Exhibit "C" - Drilling Site Layout;

Exhibit "D" - Drilling Information

Exhibit "E" - Multipoint Surface Use Plan

Exhibit "F" - Typical Road Cross-section;

Exhibit "G" - BOP Diagram;

Exhibit "H" - Typical Wellhead Manifold;

Exhibit "I" - Evidence of Bond;

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USA 14-490 February 11, 2005 Page two

This proposed well is located more than 460' from the boundary of the Unit Area and from the boundary of any uncommitted tract within the Unit Area and will not require the administrative approval in accordance with Utah Administrative Code Rule R649-3-3.

Please accept this letter as ConocoPhillips Company's written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Please be advised that the current API number on file for this well is 43-007-30805 and we are submitting this APD under this API number. This APD was approved by the BLM on 3/3/04 and is currently an active permit in their system.

Thank you very much for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,

Jean Semborski

Planning and Compliance Supervisor

han Surborch

cc: Mr. Eric Jones, BLM, Moab, Utah

Mr. W.E. (Gene) Herrington, Texaco

Mr. John B. Lennon, Dominion Resources

Mr. Don Stephens, BLM, Price, Utah

Ms. Jane Strickland, ConocoPhillips Company

Mr. Mark Jones, DOGM, Price, Utah

COPC Well File

Bureau of Land Management Moab District Application for Permit to Drill On-Site Inspection Checklist

Company ConocoPhillips Company

Well No. USA 14-490

Location: Sec.14, T 14 S, R 08E

Lease No. <u>U-61154</u>

On-Site Inspection Date: 5/24/01

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

#### DRILLING PROGRAM

Surface Formation and Estimated Formation Tops: 1.

Surface formation: Upper Mancos Shale

Estimated top of Ferron Formation: 3375' TD=3900'

Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to 2. be Encountered

Formation

Depth

Expected Oil Zones: none

Expected Gas Zones: Ferron Coal Interval: 3575'-3875'

Expected Water Zones: 3575'-3875' Expected Mineral Zones: none

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed. All oil and gas shows will be tested to determine commercial potential.

Pressure Control Equipment- include schematics of the BOP and choke manifold, and 3. describe testing procedures: Quick Test is contracted to test the manifold, blind rams, and B.O.P to 2000 psi. Surface casing is tested to 1 psi/ft. See attachment.

> BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

- 4. <u>Casing Program and Auxiliary Equipment</u> include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): Approximately 3890' of 5-1/2",N-80 17#/ft production casing will be installed 10% of the above setting depth will be 8-5/8", 24#/ft. J-55 surface casing.
- 5. <u>Cement-include</u> the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: See cement design.
- 6. <u>Mud Program and Circulating Medium</u>- include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Hole will be drilled with air.
- Coring, Logging and Testing Program: Bulk Density, Gamma, Neutron Density, Resistivity and Caliper logs will be run.
   Initial opening of drill stem test tools will be restricted to daylight hours.
- 8. <u>Abnormal Conditions, Bottom Hole Pressures and Potential Hazards</u>- include anticipated bottomhole pressure and/or pressure gradient: No abnormal conditions are anticipated, formation is slightly over-pressured, estimated BHP: 1689 PSI.
- 9. Any Other Aspects of this Proposal that should be Addressed:

#### B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

#### 1. Existing Roads:

- a. Proposed route to location (submit a map depicting access and well location).
- b. Location of proposed well in relation to town or other reference point: <u>9.8 Miles west of Price</u>, Utah.
- c. Contact the Carbon County Road Department for use of county roads. The use of Carbon County roads will require an encroachment permit from the Carbon County Road Department.
- d. Plans for improvement and/or maintenance of existing roads: Upgrade and maintain existing state or county roads.
- e. Other:

#### 2. Planned Access Roads:

- a. Location (centerline): Sec. 14, T14S, R08E 709' FNL, 1900' FEL
- b. Length of new access to be constructed: 1600'
- c. Length of existing roads to be upgraded: 0'
- d. Maximum total disturbed width: 27'

e. Maximum travel surface width: 24'

f. Maximum grades: 5%

g. Turnouts: none

- h. Surface materials: In-place residual of Mancos Shale
- i. Drainage (crowning, ditching, culverts, etc): Roads will be crowned with water ditches on both sides. Water will be diverted around pad as necessary and 4-5 culverts will be placed along upgraded roadway.
- j. Cattleguards: none
- k. Length of new and/or existing roads which lie outside the lease boundary for which a BLM right-of-way is required: N/A
- 1. Other:

Surface disturbance and vehicular travel will be limited to the approved location access road. Any additional area needed must be approved by the Area Manager in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. <u>Location of Existing Wells</u>-on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See Attachment "B"
- 4. Location of Production Facilities:

a. On-site facilities: See Attachment "E"

b. Off-site facilities: none

c. The pipelines and powerlines will follow the proposed access route with the powerline located on the north/east side of the road and the pipelines on the west/south. The pipelines will be approximately 6" for the gas and 6" for the water. Refer to map Exhibit "B" page 1 for the location of the proposed pipeline. The length of the pipeline will be

approximately 1600' long. The pipelines will be brought to the USA 14-490 from the USA 14-491.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Olive Black

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4

Production facilities on location may include a lined or unlined produced water pit as specified in NTL-2B. If water is produced from the well, an NTL-2B application must be submitted.

#### 5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): PRWID

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (435) 637-1303.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

#### 6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Private Owner

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

#### 7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with (native material, bentonite, synthetic material): Pit will be lined with native material unless otherwise designated by BLM officers prior to construction.

The reserve pit will be located at the: <u>East</u> side of the location, and the pit walls will be sloped at no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

- 8. Ancillary Facilities: Garbage containers and portable toilets.
- 9. Well Site Layout depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'.

All well, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

Access to the well pad will be from: Southwest of location.

The blooie line will be located in the: East at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Water injection.

#### 10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: adjacent land.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

BLM recommended mixture: Pinion/Juniper

The abandonment marker will be one of the following, as specified by BLM:

- 1) At least four feet above ground level,
- 2) At restored ground level, or
- 3) Below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements:

- 11. Surface and Mineral Ownership: BLM surface/BLM subsurface
- 12. Other Information:
  - a. Archeological Concerns: none

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- A time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Threatened and Endangered Species Concerns: No
- c. Wildlife Seasonal Restrictions (yes/no): See EIS
- d. Off Location Geophysical Testing: N/A
- e. Drainage crossings that require additional State or Federal approval: N/A

f. Other: N/A

#### 13. Lessee's or Operator's Representative and Certification

#### Representative:

Name: Jean Semborski

Title: Planning and Compliance Supervisor

Address: 6825 S. 5300 W. P.O. Box 851

Price, Utah 84501

Phone No: (435) 613-9777 Fax (435) 613-9782

#### Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by ConocoPhillips Company and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under <u>BLM bond no. 8015-16-69</u>. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature

Planning and Compliance Supervisor

lean ~

Title

2/11/05

Date

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

<u>Building Location</u>- Contact the Resource Area, Natural Resource Protection Specialist at least 24 hours prior to commencing construction of location.

<u>Spud</u>- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

<u>Daily Drilling Reports</u>- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

<u>Sundry Notices</u>- There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. "Sundry Notices and Reports on Wells: (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

<u>Drilling Suspensions</u>- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

<u>Undesirable Events</u>- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

<u>Cultural Resources</u>- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

<u>First Production</u>- Should the well be successfully completed for production, the Assistant District Manager, Minerals Division will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Re-completion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analysis, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work-over, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings and/or samples) will be submitted when requested by the Assistant District Manager.

<u>Venting/Flaring of Gas-NTL-4A</u> allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 MMcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Assistant District Manager for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

<u>Plugging and Abandonment</u>- If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Divisions within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

#### TABLE 1

#### **NOTIFICATIONS**

Notify Don Stephens of the Price Resource Area, at (435)636-3608 for the following:

- 2 days prior to commencement of dirt work, construction or reclamation;
- 1 day prior to spudding;
- 50 feet prior to reaching surface and intermediate casing depths;
- 3 hours prior to testing BOP;
- 12 hours prior to reaching kickoff point depth (if applicable).

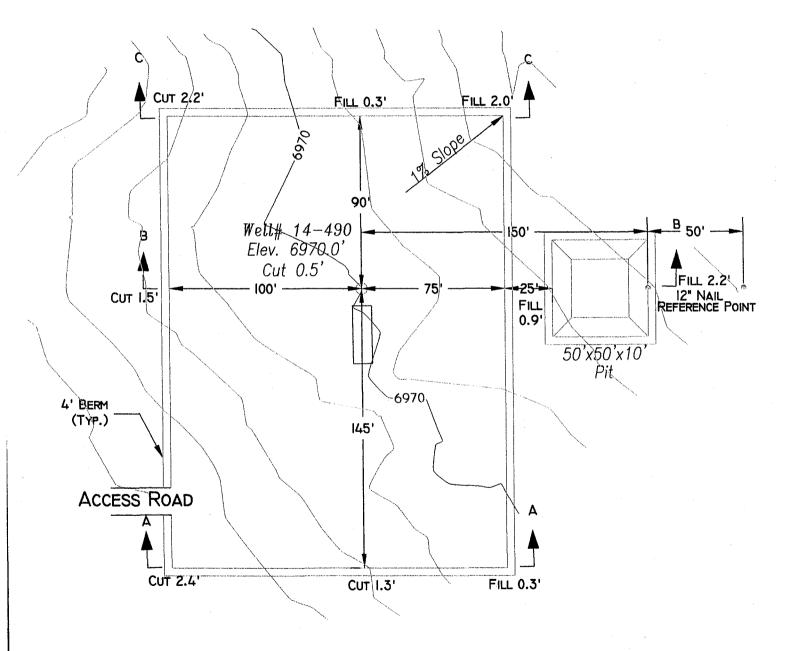
If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

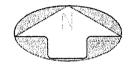
Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (435) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Offic

Office: (435) 259-6111 Home: (435) 259-2214

To be atta	ched to and form a part of		
Bond No.	8015-16-69		
Type of Bond:	NATION-WIDE OIL AND GAS BOND		
dated effective	10/19/1963 (MONTH-DAY-YEAR)		
executed by	CONOCO INC. AND CONOCO GAS HOLDINGS L.L.C. (PRINCIPAL)	,as	s Principal,
and by	FEDERAL INSURANCE COMPANY	,as Surety,	
	UNITED STATES OF AMERICA (OBLIGEE) ation of the mutual agreements herein contained the Principal and	the Surety hereby consent to changing	
	L NAME IS HEREBY AMENDED FROM CONOCO INC. AND PHILLIPS COMPANY.	CONOCO GAS HOLDINGS L.L.C. TO	
Nothing her	ein contained shall vary, alter or extend any provision or condition	of this bond except as herein expressly state	d.
This rider is effective	01/01/2003 (MONTH-DAY-YEAR)		
Signed and	Sealed 12/18/2002 (MONTH-DAY-YEAR)		
Ву: _	CONOCOPHILLIPS COMPANY  (PRINCIPAL)  (PRINCIPAL)		
_1	FEDERAL INSURANCE COMPANY		
	(SUPETY)		







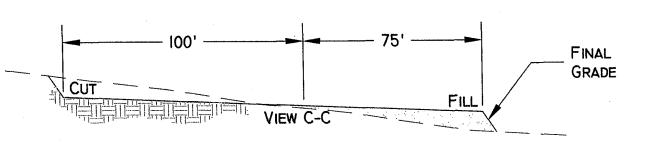
Talon Resources, Inc. 375 South Carbon Avenue, Suite 101 Price, Utah 84501 Ph: 435-637-8781 Fax: 435-636-8603

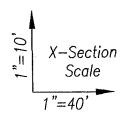
### Conoco Phillips Company

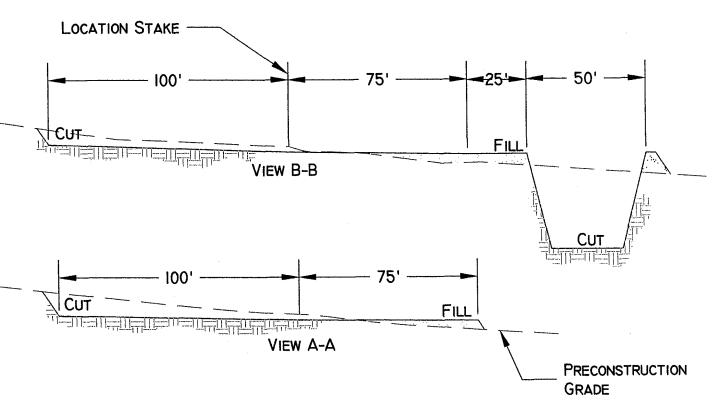
LOCATION LAYOUT Section 14, T14S, R8E, S.L.B.&M. WELL # 14-490

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No.	Date: 08/25/03
A-2	Scale: 1" = 50'
Sheet 2 of 4	Job No. 1195

Exhibit "A" 2 of







SLOPE = 1 1/2 : 1 (EXCEPT PIT) PIT SLOPE = 1 : 1



Talon Resources, Inc. 375 South Carbon Avenue, Suite 101 Price, Utah 84501
Ph: 435-637-8781
Fax: 435-636-8603

### Conoco Phillips Company

TYPICAL CROSS SECTION
Section 14, T14S, R8E, S.L.B.&M.
WELL # 14-490

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No.	Date: 08/25/03
C-1	Scale: 1" = 40'
Sheet 3 of 4	Job №. 1195

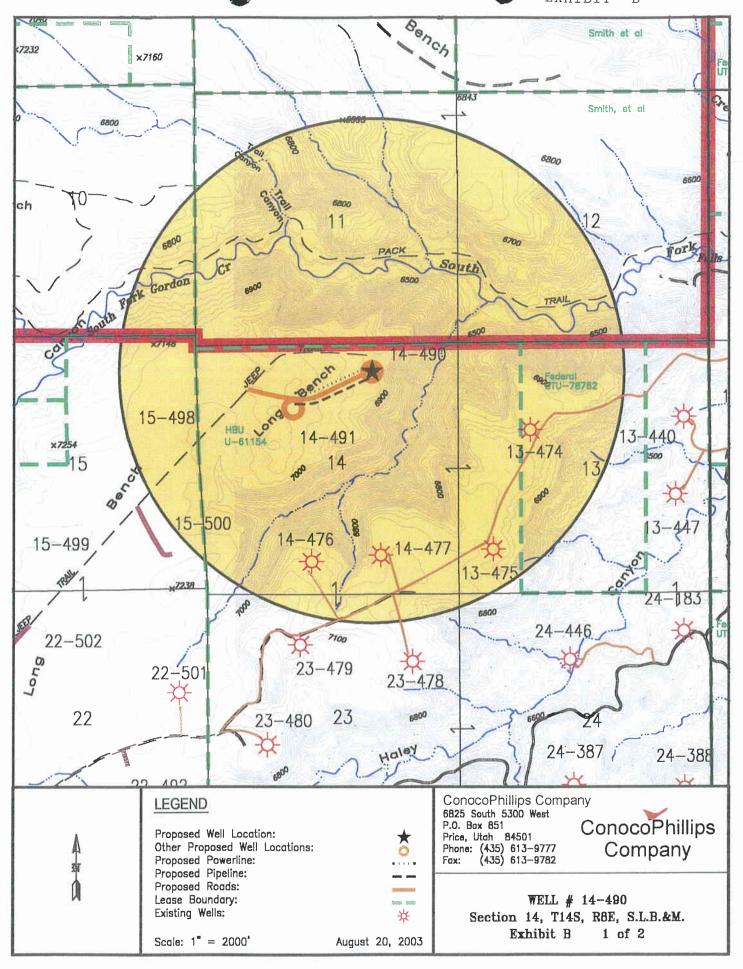
### APPROXIMATE YARDAGES

CUT

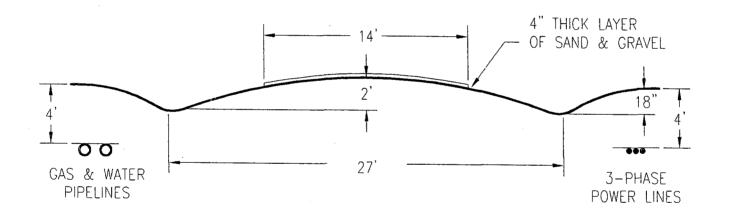
(6")Topsoil Stripping = 750 Cu. Yds.

REMAINING LOCATION = 925 CU, YDS.

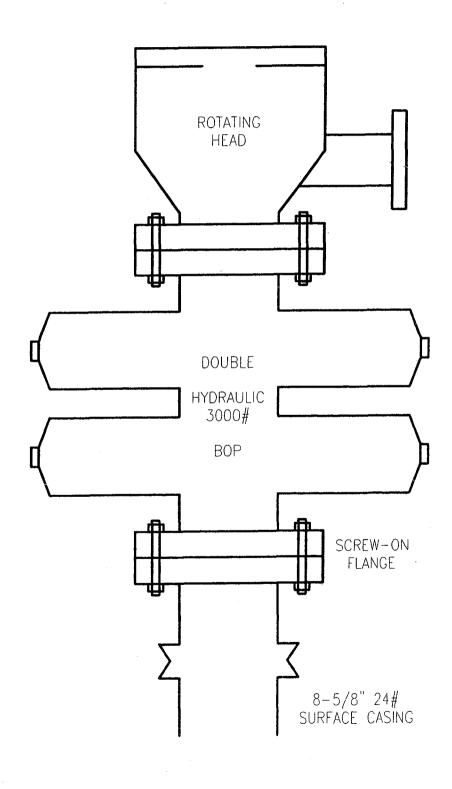
TOTAL CUT = 1,525 Cu. YDS. TOTAL FILL = 445 Cu. YDS.



## TYPICAL ROAD CROSS-SECTION



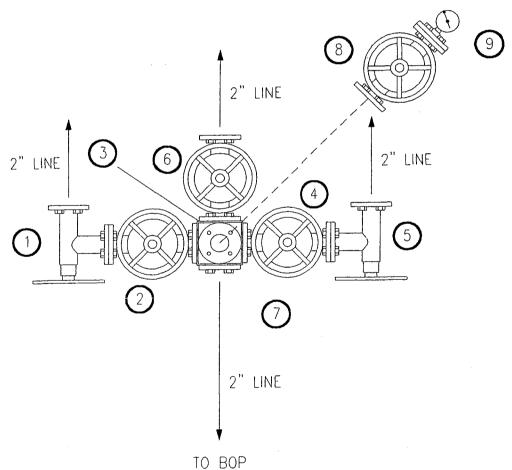
## DIVERTER HEAD



- 5M FLANGED CHOKE
- 5M GATE VALVE (FLANGED)
- 5M STUDDED CRÒSS
- 5M GATE VALVE (FLANGED)
- 2" 5M FLANGED CHOKE
  2" 5M GATE VALVE (FLANGED)
  2" LINE
- 2" 5M GATE VALVE (FLANGED)
- 3000# GAUGE

NOTE:

NUMBER 8 GATE VALVE SITS ON TOP OF MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.

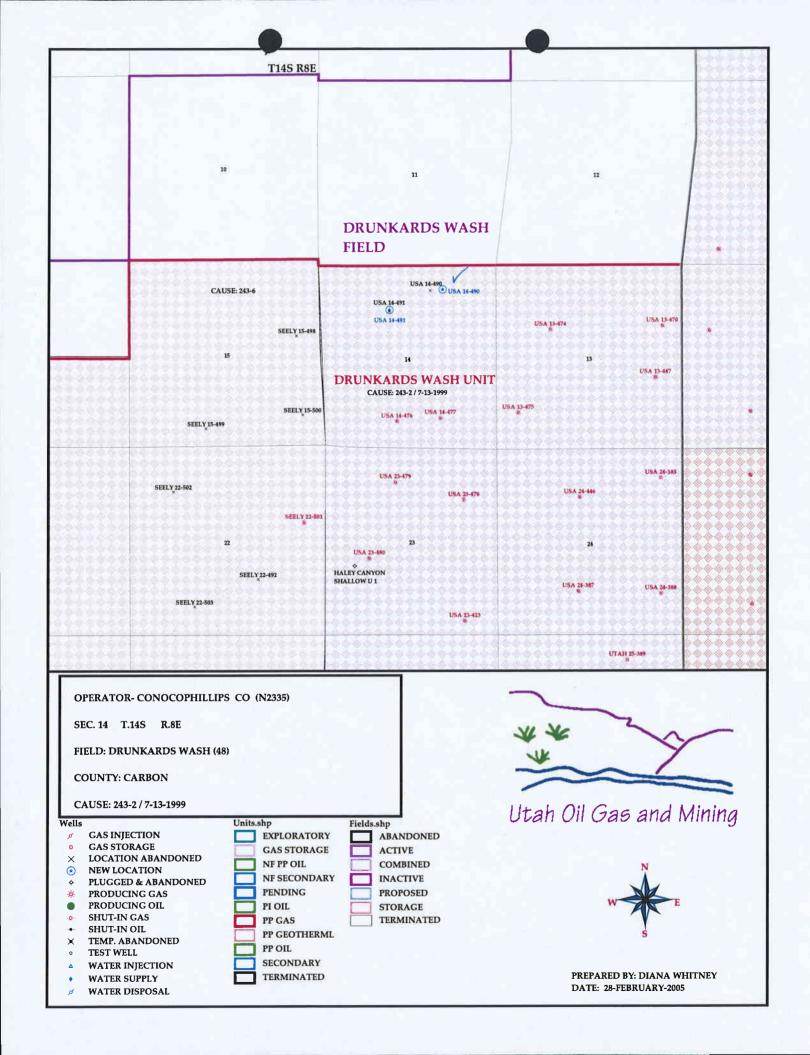


AND A NEW 2" BALL VALVE FULL OPEN 5000 PSI

**MANIFOLD** 

# WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/24/2005	API NO. ASSIGNED: 43-007-30858
WELL NAME: USA 14-490 OPERATOR: CONOCOPHILLIPS COMPANY ( N2335 ) CONTACT: JEAN SEMBORSKI	PHONE NUMBER: 435-613-9777
PROPOSED LOCATION:  NWNE 14 140S 080E	INSPECT LOCATN BY: / /
SURFACE: 0709 FNL 1900 FEL  BOTTOM: 0709 FNL 1900 FEL	Tech Review Initials Date
CARBON	Engineering
DRUNKARDS WASH ( 48 )	Geology
LEASE TYPE: 1 - Federal LEASE NUMBER: U-61154	Surface
SURFACE OWNER: 1 - Federal PROPOSED FORMATION: FRSD COALBED METHANE WELL?	LATITUDE: 39.61321  LONGITUDE: -110.9902
RECEIVED AND/OR REVIEWED:  Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. 8015-16-69  Potash (Y/N)  N oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. PRWID  RDCC Review (Y/N)  (Date:  NH Fee Surf Agreement (Y/N)	LOCATION AND SITING:  R649-2-3.  Unit DRUNKARDS WASH **  R649-3-2. General     Siting: 460 From Qtr/Qtr & 920' Between Wells     R649-3-3. Exception  Drilling Unit     Board Cause No: 243.2     Eff Date: 7./3.1999     Siting: 460 fr u bdrg & Uncomm. Thus  R649-3-11. Directional Drill
STIPULATIONS: 1- federa	O approva0





State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT Acting Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > March 1, 2005

ConocoPhillips Company P O Box 851 Price, UT 84501

Re: <u>USA 14-490 Well, 709' FNL, 1900' FEL, NW NE, Sec. 14, T. 14 South,</u> R. 8 East, Carbon County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30858.

Sincerely,

John R. Baza

Associate Director

pab Enclosures

cc: Carbon County Assessor

Bureau of Land Management, Moab District Office

Operator:	Conoco	Phillips Company		
Well Name & Number	USA 14	-490		
API Number:	43-007-30858			
Lease:	U-6115	4		
API Number: 43-007-30858  Lease: U-61154	<b>T.</b> 14 South	<b>R.</b> <u>8 East</u>		

### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

### STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

## DIVISION OF OIL, GAS AND MINING

#### **ENTITY ACTION FORM**

Operator:

ConocoPhillips

Operator Account Number: N 2335

Address:

6825 South 5300 West

city Price

state UT

Phone Number: \_(435) 613-9777

#### Well 1

API Number			II Name QQ Sec Twp		Rng	County	
4300730769			00730769 USA 14-491 NENW	NW 14	148	08E CARBON	CARBON
Action Code	Current Entity Number	New Entity Number	S	Spud Date			ity Assignment ffective Date
Α	99999	14950	9	/15/200	5	91	29/05

New single well spud outside PA but inside of the Unit Boundary. FRSD

zip 84501

#### Well 2

L	API Number	Well	Name	QQ	Sec	Twp	Rng	County
	4300730858	730858 USA 14-490		NWNE	14	148	08E	CARBON
	Action Code	Current Entity Number	New Entity Number	S	pud Da	te		y Assignment fective Date
	Α	99999	14951	(	7/10/	05	9/	29/05

New single well spud outside PA but inside of the Unit Boundary. FRSD CONFIDENTIAL

#### Well 3

API Number	Well I	QQ Sec Twp		Rng	County		
Action Code	Current Entity Number	New Entity Number	Spud Date		Spud Date		y Assignment fective Date
Comments:				,			

#### **ACTION CODES:**

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

ORIGINAL

Lynnette Allred

Name (Please Print)

Signature

Derations Assistant Title

MINING

(5/2000)

Form approved. Budget Bureau No.1004-0137 Expires August 31,1985

Form 3160-4 (November 1983) (formerly 9-330)		DEP2		NITED ST	ATES THE INT	ERIOR		SUBMIT IN D (See ot structio	her In-	5. LEASE	DESIGNATION	N AND S	ERIAL NO.
								reverse		U-611	54		
WFI	LCOMPI	FTIO	N OR R	FCOME	PI FTIOI	N REPO	ORT AND I	OG*		6. IF INDI	AN, ALLOTTE	3 OR TRI	BE NAME
1a. TYPE OF WELL:		OIL		GAS -						NA			
b. TYPE OF COMPLETIONEW	WORK	WEI DEE	LL 📙	WELL L	DIFF.		Other		_		GREEMDENT ards Wash		57921X
WELL X	OVER	EN		BACK	RESVR.		Other			8. FARM	OR LEASE NA	ME	
2. NAME OF OPERATOR			<del></del>							USA			
ConocoPhillip										9. WELL 1	NO		
3. ADDRESS OF OPERATO		st D	rice III	tah 84	45 <b>0</b> 1					14-490		D WII D	CAT
4. LOCATION OF WELL											AND POOL, C		LAI
709' FNL, 19		ieuriy unu i	in accoratince	wiin any Siale	e requirements)						cards Was		ND SURVEY
NW/NE, Sec 14	<b>4</b> , T14S, R0	8E, SLE	B&M							i		4S. R0	8E, SLB&M
					14. PER	RMIT NO.	<u>.</u> .	DATE IS	SUED	12. COUN		15, 700	
					43-0	07-3085	8	03/01	/2005	Carbo	n		
15. DATE SPUDDED 09/10/2005	16. DATE 09/18/2		CHED	17. DATE ( 11/11/2	COMPL. (Rea 2005	dy to prod.)	6,970°	NS (DF, REB	, RT, GR, ETC.)		19. l <b>N</b> /		ASINGHEAD
20. TOTAL DEPTH, MD & 3,712'	tVD	21. PLU 3,700	JG BACK T.D O'	)., MD & TVE	}	22. IF MUL HOW M	.TIPLE COMPL., 1ANY N/.	A	23. INTERVA		rotary to		CABLE TOOLS
24. PRODUCING INTERV	AL(S), OF THIS	<u> </u>		OTTOM, NA	ME (MD OR T				1	<b>→</b> ↓		25. WAS	
Ferron Coal—To				oal 3,603	3'								ECTIONAL VEY MADE
26. TYPE ELECTR Dual Induct				ay, Com	p Density	, Comp	Neutron	27. WAS WI	ELL CORED				
28.							(Report all strin		0				
CASING SIZE	WEIGHT, LI	B./FT.	DEPTH S	ET (MD)	HOLE	SIZE		CE	MENT RECORD	)		AMO	OUNT PULLED
12-3/4"	Conduc	tor	7	,,	15	5"	180 sx	s G=2%	Cacl + 1/4#	per sack	flocel	1	
8-5/8	24#		41	1'	11	"	380 sxs 50/	50 poz,+8	% gel+2% (	aC1+109	% extender		
5-1/2"	17#		3,7	12'	7-7/	/8"	<u>.</u>	100 sx	s "G" thixo	tropic			
29.		LINER R	ECORD		<u> </u>	L		30.		TUBIN	G RECORD		<del></del>
SIZE	TOP (MD)	Т	воттом (	(MD)	SACKS CEM	MENT	SCREEN (MD)	SIZ	Е	DEPTH SI	ET (MD)	P	ACKER SET
								2-7/	8"	3,63	37'	$\top$	
31. PERFORATION RECO Ferron Coal:	RD (Interval, size	e and numb	er)		-	3	32.		D, SHOT, FRA				
						L	DEPTH INTERV		AM	OUNT AND	KIND OF MAT	ERIAL U	SED
Upper: 3350'-3 3443'-34	-	3380*,33	88′-3402′,	3432*-343;	o', (2 spf,	<b>3</b> የ"ነ $\square$	Upper: 3350'				bbls 2% KC		
Lower: 3496' ·	2502, 2524	, 3534,	25281 2542	), 3554, 3	5591		Lower: 3496'-	-3603'	100,000#, 1	6/30; 1015	5 bbls 2% K	CL	
	3566',3575'-			2 ,3334 -3.	(2 spf,	38")			<u> </u>				
33.						Pl	RODUCTION						
DATE FIRST PRODUCTION 11/28/2005			метнор <i>(1</i> —2-1/2"		ift, pumpings WAC	size and type o	of pump)					STATUS Produci	(Producing or ing
DATE OF TEST 11/28/2005	HOURS TES	TED	CHOKE SI N/A	IZE	PROD'N FO TEST PERIO		OILBBL N/A	GAS- 24	MCF.	WATER 37	BBL	GAS-0 N/A	OIL RATIO
FLOW. TUBING PRESS.	CASING PR 104	ESSURE	CALCULA 24-HOUR		OILBBL. N/A		GASMCF 24		WATER-	-BBL.	oil c N/A		- API (CORR.)
34. DISPOSITION OF GAS SOLD	(Sold, used for fi	iel, vented,	etc.)				TEST WITNE Jim Weav		REC	EIVE	D	- V	OUD
35. LIST OF ATTACHMEN	NTS								NOV :	7 200	OPY FO	IK YI MATIC	UUK !!!
36 I hereby certify that the f	oregoing and atta	ched inform	nation is comp	lete and corre	ct as determine	d from all ava	ulable records			<del>-v 200</del>	J**** U ***		

SIGNED Jean Semborski

## UNITED STATES

FORM APPROVED

BUREAU OF I  SUNDRY NOTICES A  Do not use this form for proposals to dr  Use "APPLICATION FO  SUBMIT A  1. Type of Well Oil Sas  2. Name of Operator ConocoPhillips  3. Address and Telephone No.	AND REPORTS ON WELLS ill or to deepen or reentry to a different reservoir. OR PERMIT" for such proposals  IN TRIPLICATE  O. Box 851, Price, Utah 84501 (435) 613-9	11-61154 6. If Indian, Allottee or Tribe Name N/A 7. If Unit or CA, Agreement Designation  Drunkards Wash UTU-67921X 8. Well Name and No. USA 14-490 9. API Well No. 43-007-30858
4. Location of Well (Footage, Sec.,T., R:, M., or Survey 709' FNL, 1900' FEL NW/NE, Sec. 14, T14S,	Description)	Drunkards Wash  11. County or Parish, State  Carbon County, Utah
directionally drilled, give subsurface locations and meas	Online Notice Change of Name Recompletion Plugging Back Casing Repair Altering Casing Other Notice of 1st Production  y state all pertinent details, and give pertinent dates, i ured and true vertical depths for all markers and zone ed first production on 11/28/2005, with a result of the state of the sta	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or including estimated date of starting any proposed work. If well is spertinent to this work.)* ate of 24 mcfd, and 37 bbls produced water.
14. I hereby certify that the foregoing is true and conject		RECEIVED  NOV 3 0 2005  DIV. OF OIL, GAS & MINING
Signed_ynnette Allred	Sr. Operations Assistant Date  Date	November 29, 2005

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



### **United States Department of the Interior**



BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov

IN REPLY REFER TO: 3180 UT-922

**JAN 3 1 2007** 

**CERTIFIED MAIL -- Return Receipt Requested** 

ConocoPhillips Company Attn: William W. Franklin Lower 48 Business Unit 3300 North A. Street Midland, TX 79705

Re: 11th Revision of the

Consolidated Ferron Formation Participating Area "A,C,D" Drunkards Wash Unit

Carbon and Emery Counties, Utah

#### Gentlemen:

The 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D", Drunkards Wash Unit, UTU67921G, is hereby approved effective as of November 1, 2005, pursuant to Section 11 of the Drunkards Wash Unit Agreement, Carbon and Emery Counties, Utah.

The 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" results in the addition of 641.25 acres to the participating area for a total of 70,984.12 acres and is based upon the completion of the following wells, as capable of producing unitized substances in paying quantities.

. WELLNO.	HATTAL ARINO. TANK	TO USE TO CATION THE	HEASE NO SE	
USA 14-490	43-007-30858	NE, 14-14S-8E	UTU61154	14951
USA 14-491	43-007-30769	NW, 14-14S-8E	UTU61154	14950
Lessar 20-850	43-007-31014	SW, 20-14S-10E	Patented	15041
Utah 10-649	43-007-30928	NW, 10-15S-10E	Patented	15018

All lands not within the Consolidated Ferron Formation Participating Area "A,C,D" Drunkards Wash Unit, Carbon & Emery Counties, Utah were automatically contracted from the unit area effective November 21, 2005, as provided by Section 2(e) of the unit agreement.

RECEIVED

FEB 0 5 2007

You are requested to timely submit a description of the lands eliminated with-in 90 days after receipt of this letter. Revised Exhibits "A" and "B" should also be submitted showing the lands remaining in the unit area.

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" Drunkards Wash Unit and the effective date.

Sincerely,

/s/ Douglas Cook

Douglas Cook Chief, Branch of Fluid Minerals

#### **Enclosure**

bcc: Division of Oil, Gas and Mining

SITLA

Sovereign Lands

Drunkards Wash Unit w/enclosure

MMS - Data Management Division (Attn: James Sykes)

Field Manager - Moab w/enclosure

Agr. Sec. Chron Reading File Central Files

CSeare:cs (01/30/07)DWU.11th.rev

Form 3160-5 (April 2004)

## UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

DEI ARTIMENT OF THE INTERIOR					Expires Parentin, 2007			
	BUREAU OF LAND MA			5. Lease Sc				
	NOTICES AND RI			6 Kradi	U-61154 an, Allottee or Tribe Name			
Do not use the abandoned we	nis form for proposals ell. Use Form 3160-3	to drill or to re- (APD) for such po	enter an roposais.	C. II MAGA	m, Andree of Trice Name			
SUBMIT IN TR	IPLICATE- Other ins	structions on reve	rse side.	7. If Unit	or CA/Agreement, Name and/or No.			
1. Type of Well Oil Well	Z] Gas Well Other			<del></del>	ards Wash (UTU-67921X)			
	Gas Well Other			8. Well N	ame and No. USA 14-490			
2. Name of Operator ConocoPhillips Company	·			9. API V	Vell No.			
3a. Address	1 7 70710 1010	3b. Phone No. (incha	de area code)		43-007-30858			
P. O. Box 51810, Midland		432-688-6943		10. Field a	nd Pool, or Exploratory Area Drunkards Wash			
4. Location of Well (Footage, Sec., 709' FNL & 900' FEL Sec.				11. Count	y or Parish, State			
709 FNL & 900 FEL 360	Liidii 14, 1145, Roll	IN WILL	_		Carbon County, Utah			
12. CHECK A	PPROPRIATE BOX(ES) T	O INDICATE NATU	RE OF NOTICE, R	EPORT, C	R OTHER DATA			
TYPE OF SUBMISSION		TY	PE OF ACTION					
	Acidize	Deepen	Production (Sta	rt/Resume)	Water Shut-Off			
Notice of Intent	Alter Casing	Fracture Treat	Reclamation		Well Integrity			
Subsequent Report	Casing Repair	New Construction	Recomplete Temporarily Ab	andon	Nother Replace pump, bad tbg			
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Abandon Plug Back	Water Disposal	GENCHOLE.	- Land to B			
Attach the Bond under which the following completion of the investing has been completed. Fit determined that the site is ready 12/12/06 - MIRU, unhang WH, NU & test BOP, 300 12/13/06 - POOH w/tbg. new pump and five 1.5 we	13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)  12/12/06 - MIRU, unhang rods. RD unit. POOH w/rods. LD15 weight bars and pump. Drop standing valve. ND WH, NU & test BOP, 300 and 1000 psi. LD hanger. Tag fill @ 3710'.  12/13/06 - POOH w/tbg. Replace #112, #113, #114, land tbg @ 3637'. Test to 1000 psi, good. ND BOP, NU WH. PU new pump and five 1.5 weight bars and ten new 7/8 grade 54's and TIH. Seat pump.  12/14/06 - Fill and test tbg at 1000 psi. RU Unit and hang rods. Rig down.							
14. Thereby certify that the fore Name (Printed/Type 1)	gding is true and correct	Title S	Sr. Regulatory An	alvst				
Donna Williams Title Sr. Regulatory Ar				,				
Signature Date 25107								
	THIS SPACE FOR	FEDERAL OR	STATE OFFICE	USE				
Approved by			Γit <b>le</b>		Date			
Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant to	or equitable title to those right	e does not warrant or	Office					
		t a crime for any nerson k	nowingly and willfully to	o make to ar	y department or agency of the United			

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the Units States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

#### STATE OF UTAH **DEPARTMENT OF NATURAL RESOURCES** DIVISION OF OIL, GAS AND MINING

#### **ENTITY ACTION FORM**

Operator:

ConocoPhillips Company

Operator Account Number: N 2335

Address:

P. O. Box 51810

city Midland

zip 79710-1810 state TX

Phone Number: (432) 688-6943

#### Well 1

API Number	Well	Name	QQ	Sec	Twp	Rng	County
4300730858	USA #14-490		NWNE	14	148	8E	Carbon
Action Code	Current Entity Number	New Entity Number	s	pud Da	te		tity Assignment Effective Date
С	14951	11256	g	/10/200	5		11/1/2005

Comments:

Well is included in 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" effective 11/1/05.

Well 2

API Number	Well	Name	QQ	Sec	Twp	Rng	County
4300730769	USA #14-491		NENW	14	148	8E	Carbon
Action Code	Current Entity Number	New Entity Number	S	pud Da	te		tity Assignment Effective Date
С	14950	11256	9	/15/200	5		11/1/2005

Comments:

Well is included in 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" effective 11/1/05.

#### Well 3

API Number	Well	Name	QQ	Sec	Twp	Rng	County
4300730928	Utah #10-649		NENW	10	15S	10E	Carbon
Action Code	Current Entity Number	New Entity Number	Sı	pud Dat	te.	<ul> <li>Linux Contribution Collins of 144</li> </ul>	tity Assignment Effective Date
С	15018	11256	10	0/25/200	05		11/1/2005

Comments:

Well is included in 11th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" effective 11/1/05.

#### **ACTION CODES:**

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
   D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

FEB 2 3 2007

Donna Williams Name (Please Print) Signature

Sr. Regulatory Analyst

2/19/2007

Date

DIV. OF OIL, GAS & MINING

Form 3160-5 (April 2004)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OM B No. 1004-0137 Expires: March 31, 2007
Expires: March 31, 2007

-	•	a
٦.	1 0000	Serial No.

U-61154

<ol><li>If Indian, Allottee or Tribe Name</li></ol>
---

N/A

SUBMIT IN TR	PIPLICATE- Other inst	tructions on rever	se side.	7. If Unit or C	A/Agreement, Name and/or No.		
1. Type of Well Oil Well	Gas Well Other			Drunkar	ds Wash UTU-67921X		
	Z Out Well Cutter			8. Well Name	and No.		
2. Name of Operator					USA 14-490		
ConocoPhillips Company	<u> </u>			9. API Well			
3a. Address	_	3b. Phone No. (include	area code)		43-007-30858		
P. O. Box 51810, Midlan	d, Texas 79710-1810	432-688-6943		10. Field and F	ool, or Exploratory Area		
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)			D	runkards Wash		
Surf. Loc. 709' FNL, 1900' FEL, Sec. 14, T14S, R8E NW/NE					11. County or Parish, State Carbon, Utah		
<del></del>	E OF NOTICE, RE	PORT, OR C	OTHER DATA				
TYPE OF SUBMISSION		TYP	E OF ACTION				
Notice of Intent  Subsequent Report  Final Abandonment Notice	Acidize  Alter Casing  Casing Repair  Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Production (Start Reclamation Recomplete Temporarily Aba		Water Shut-Off Well Integrity Other		
Describe Proposed or Complete     If the proposal is to deepen dire     Attach the Bond under which the	Convert to Injection  ed Operation (clearly state all pertictionally or recomplete horizontal ne work will be performed or provi	ly, give subsurface location	s and measured and true	vertical depths o	f all pertinent markers and zones.		

following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has

The above referenced well was acidized with 275 gallons 15% HCL on June 6, 2007.

determined that the site is ready for final inspection.)

14 Therebyce	ertify the	at the forest	oing is true and	COrrect					
Name (Pr	inted/I	(pped)	Jing 13 ti de and	COTTECT	1				
Donna Williams/					Title	Title Sr. Regulatory Specialist			
Signature		$\mathcal{A}$		<u> </u>	Date	7/25/2007			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved by						Title		Date	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.						Office			
Title 18 U.S.C. S	ection 100	or fraudulen	3 U.S.C. Section 1	212, make it a crime	for any person	knowingly a	nd willfully to make to	any department or agency of the United	

(Instructions on page 2)

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